

NRG ENERGY, INC.
Form 424B5
November 09, 2006

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**Filed Pursuant to Rule 424(b)(5)
Registration No. 333-130549**

A filing fee of \$117,700, calculated in accordance with Rule 457(r) has been transmitted to the SEC in connection with the securities offered by means of this prospectus supplement.

**PROSPECTUS SUPPLEMENT
(To prospectus dated December 21, 2005)**

\$1,100,000,000

NRG Energy, Inc.

7.375% Senior Notes Due 2017

We will pay interest on the notes on January 15 and July 15 of each year, beginning July 15, 2007. The notes will mature on January 15, 2017. We may redeem some or all of the notes at any time on or after January 15, 2012 at redemption prices described in this prospectus supplement.

The notes will be unsecured obligations and rank equally with our existing and future unsecured senior indebtedness. The notes will be issued only in registered form in denominations of \$5,000.

Investing in the notes involves risks that are described in the Risk Factors section beginning on page S-11 of this prospectus supplement.

	Per Note	Total
Public offering price	100.0%	\$ 1,100,000,000
Underwriting discount	1.5%	\$ 16,500,000
Proceeds, before expenses, to NRG Energy, Inc.	98.5%	\$ 1,083,500,000

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The notes are offered by the Underwriters, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of certain legal matters by counsel for the Underwriters and certain other conditions. The Underwriters reserve the right to withdraw, cancel or modify such offer and reject any orders in whole or in part. The notes will be ready for delivery in book-entry form only through The Depository Trust Company on or about

November 21, 2006.

Merrill Lynch & Co.

Morgan Stanley

The date of this prospectus supplement is November 8, 2006.

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You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference is accurate only as of their respective dates. Our business, financial condition, results of operations and prospectus may have changed since those dates.

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CERTAIN PERSONS PARTICIPATING IN THIS OFFERING MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN OR OTHERWISE AFFECT THE PRICE OF THE NOTES, INCLUDING OVER-ALLOTMENT, STABILIZING AND SHORT-COVERING TRANSACTIONS IN SUCH NOTES. FOR A DESCRIPTION OF THESE ACTIVITIES, SEE UNDERWRITING.

About This Prospectus Supplement

This document consists of two parts. The first part is this prospectus supplement, which describes the specific terms of this offering. The second part is the accompanying prospectus, which describes more general information, some of which may not apply to this offering. You should read both this prospectus supplement and the accompanying prospectus, together with additional information described below under the headings **Where You Can Find More Information** and **Incorporation of Certain Documents by Reference**.

If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

Any statement made in this prospectus supplement or in a document incorporated or deemed to be incorporated by reference in this prospectus supplement will be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained in this prospectus supplement or in any other subsequently filed document that is also incorporated or deemed to be incorporated by reference in this prospectus supplement modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus supplement. See **Incorporation of Certain Documents By Reference**.

Where You Can Find More Information

NRG files annual, quarterly and special reports, proxy statements and other information with the Securities and Exchange Commission, or the SEC. You can inspect and copy these reports, proxy statements and other information at the Public Reference Room of the SEC, 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference room. NRG's SEC filings will also be available to you on the SEC's website at <http://www.sec.gov> and through the New York Stock Exchange, 20 Broad Street, New York, NY 10005, on which NRG's common stock is listed.

This prospectus supplement and the accompanying prospectus, which forms a part of the registration statement, do not contain all the information that is included in the registration statement. You will find additional information about us in the registration statement. Any statements made in this prospectus supplement or the accompanying prospectus concerning the provisions of legal documents are not necessarily complete and you should read the documents that are filed as exhibits to the registration statement or otherwise filed with the SEC for a more complete understanding of the document or matter.

Incorporation of Certain Documents by Reference

The SEC allows the incorporation by reference of the information filed by NRG with the SEC into this prospectus supplement, which means that important information can be disclosed to you by referring you to those documents and those documents will be considered part of this prospectus supplement. Information that NRG files later with the SEC will automatically update and supersede the previously filed information. The documents listed below and any future filings NRG makes with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, after the date of this prospectus supplement but before the end of the offerings that may be made under this prospectus supplement, are incorporated by reference herein:

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NRG's annual report on Form 10-K for the year ended December 31, 2005 (filed on March 7, 2006) as amended by the Form 10-K/A filed on March 27, 2006.

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NRG's quarterly reports on Form 10-Q for the quarters ended March 31, 2006 (filed on May 9, 2006), June 30, 2006 (filed on August 4, 2006) and September 30, 2006 (filed on November 6, 2006).

NRG's Definitive Proxy Statement on Schedule 14A filed on March 24, 2006.

NRG's current reports on Form 8-K filed on January 4, 2006, Form 8-K filed on January 5, 2006, Form 8-K/A filed on January 5, 2006, Form 8-K filed on January 13, 2006, Form 8-K filed on January 23, 2006, Form 8-K/A filed on January 23, 2006, Form 8-K/A filed on January 26, 2006, Form 8-K filed on January 27, 2006, Form 8-K filed on February 6, 2006, Form 8-K filed on February 8, 2006, Form 8-K filed on March 10, 2006, Form 8-K filed on March 16, 2006, Form 8-K filed on April 6, 2006, Form 8-K filed on May 3, 2006, Form 8-K filed on May 4, 2006, Form 8-K filed on May 31, 2006, Form 8-K filed on August 1, 2006 (only with respect to the information deemed filed under Item 8.01), Form 8-K filed on August 10, 2006, Form 8-K filed on August 11, 2006, Form 8-K filed on August 21, 2006 and Form 8-K filed on August 25, 2006.

If you make a request for such information in writing or by telephone, NRG will provide you, without charge, a copy of any or all of the information incorporated by reference in this prospectus. Any such request should be directed to:

NRG Energy, Inc.
211 Carnegie Center
Princeton, New Jersey 08540
(609) 524-4500
Attention: General Counsel

You should rely only on the information contained in this prospectus supplement, the attached prospectus, the documents incorporated by reference and any written communication from us or the Underwriters specifying the final terms of the offering. NRG has not, and the underwriters have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. NRG is not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus supplement is accurate as of the date on the front cover of this prospectus supplement only. NRG's business, financial condition, results of operations and prospects may have changed since that date.

Disclosure Regarding Forward-Looking Statements

This prospectus supplement contains, and the documents incorporated by reference herein may contain, forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Exchange Act. Such forward-looking statements are subject to certain risks, uncertainties and assumptions that include, but are not limited to, expected earnings and cash flows, and future growth and financial performance. These statements typically can be identified by the use of words such as will, expect, estimate, anticipate, forecast, pl believe and similar terms. Although we believe that our expectations are reasonable, we can give no assurance that these expectations will prove to have been correct, and actual results may vary materially. Factors that could cause actual results to differ materially from those contemplated above include, among others:

Risks and uncertainties related to the capital markets generally, including increases in interest rates;

General economic conditions, changes in the wholesale power markets and fluctuations in the cost of fuel;

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Hazards customary to the power production industry and power generation operations such as fuel and electricity price volatility, unusual weather conditions, catastrophic weather-related or other damage to facilities, unscheduled generation outages, maintenance or repairs, unanticipated changes to fossil fuel supply costs or availability due to higher demand, shortages, transportation problems or other developments, environmental incidents, or electric transmission or gas pipeline system constraints and the possibility that we may not have adequate insurance to cover losses as a result of such hazards;

NRG's potential inability to enter into contracts to sell power or procure fuel on terms and prices acceptable to it;

The liquidity and competitiveness of wholesale markets for energy commodities;

Government regulation, including compliance with regulatory requirements and changes in market rules, rates, tariffs and environmental laws;

Price mitigation strategies and other market structures employed by independent system operators, or ISOs, or regional transmission organizations, or RTOs, that result in a failure to adequately compensate our generation units for all of their costs;

NRG's ability to realize its significant deferred tax assets, including loss carry forwards;

The effectiveness of NRG's risk management policies and procedures, and the ability of NRG's counterparties to satisfy their financial commitments;

Counterparties' collateral demands and other factors affecting NRG's liquidity position and financial condition;

NRG's ability to implement its recently-announced strategy of developing and building new power generation facilities, including new nuclear units and IGCC units, in a way that benefits investors in its debt and equity securities;

NRG's ability to operate its businesses efficiently, manage capital expenditures and costs tightly (including general and administrative expenses), and generate earnings and cash flow from its asset-based businesses in relation to its debt and other obligations; and

Significant operating and financial restrictions which may be placed on NRG as a result of the financing transactions described elsewhere in this prospectus supplement and instruments governing its existing indebtedness.

Market and Industry Data

Certain market and industry data included or incorporated by reference in this prospectus supplement and in the accompanying prospectus has been obtained from third party sources that we believe to be reliable. We have not independently verified such third party information and cannot assure you of its accuracy or completeness. While we are not aware of any misstatements regarding any market, industry or similar data presented herein, such data involves risks and uncertainties and is subject to change based on various factors, including those discussed under the headings **Disclosure Regarding Forward-Looking Statements** and **Risk Factors** in this prospectus supplement.

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SUMMARY

This summary may not contain all the information that may be important to you. You should read this entire prospectus supplement, the accompanying prospectus and those documents incorporated by reference into this prospectus supplement and the accompanying prospectus, including the risk factors and the financial data and related notes, before making an investment decision.

In this prospectus supplement, unless otherwise indicated herein or the context otherwise indicates:

*the term **NRG** refers to NRG Energy, Inc., together with its consolidated subsidiaries;*

*the term **notes** refers to NRG's 7.375% Senior Notes due 2017 offered pursuant to this prospectus supplement;*

*the term **indenture** refers to the base indenture dated February 2, 2006, as supplemented by the supplemental indenture to be dated on or about November 21, 2006 among NRG, the Guarantors and Law Debenture Trust Company, as trustee;*

*the term **Transactions** refers to the transactions described under the heading **The Transactions** ;*

*the terms **we**, **our**, **us** and the **Company** refer to NRG together with its consolidated subsidiaries, after giving pro forma effect to the completion of the Transactions;*

*the terms **MW** and **MWh** refer to megawatts and megawatt-hours. The megawatt figures provided represent nominal summer net megawatt capacity of power generated as adjusted for our ownership position excluding capacity from inactive/mothballed units as of September 30, 2006. NRG has previously shown gross MWs when presenting its operations. Capacity is tested following standard industry practices. Our numbers denote saleable MWs net of internal/parasitic load; and*

*the term **expected annual baseload generation** refers to the net baseload capacity limited by economic factors (relationship between cost of generation and market price) and reliability factors (scheduled and unplanned outages).*

Our Business

NRG is a wholesale power generation company, primarily engaged in the ownership, development, construction and operation of power generation facilities, the transacting in and trading of fuel and transportation services and the marketing and trading of energy, capacity and related products in the United States and internationally. We have a diverse portfolio of electric generation facilities in terms of geography, fuel type and dispatch levels. Our principal domestic generation assets consist of a diversified mix of natural gas-, coal-, oil-fired and nuclear facilities, representing approximately 45%, 34%, 16% and 5% of our total domestic generation capacity, respectively. In addition, 15% of our domestic generating facilities have dual or multiple fuel capacity, which allows plants to dispatch with the lowest cost fuel option.

Our Strategy

Our strategy is to optimize the value of our generation assets while using that asset base as a platform for growth and enhanced financial performance which can be sustained and expanded upon in years to come. We plan to maintain and enhance our position as a leading wholesale power generation company in the United States in a cost-effective and risk-mitigating manner in order to serve the bulk power requirements of our customer base and other entities that offer load, or otherwise consume wholesale electricity products and services in bulk. Our strategy includes the following elements:

Increase value from our existing assets. We have a highly diversified portfolio of power generation assets in terms of region, fuel type and dispatch levels. We will continue to focus on extracting value from our portfolio by improving plant performance, reducing costs and harnessing our advantages of scale in the

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procurement of fuels and other commodities, parts and services, and in so doing to improve our return on invested capital, or ROIC: a strategy that we have branded *FORNRG*, or Focus on ROIC at NRG.

Pursue intrinsic growth opportunities at existing sites in our core regions. We are favorably positioned to pursue growth opportunities through expansion of our existing generating capacity. We intend to invest in our existing assets through plant improvements, repowerings, brownfield development and site expansions to meet anticipated requirements for new capacity in our core markets. In furtherance of this goal, we have initiated a company-wide program, known as Repowering NRG, to develop, finance, construct and operate new and enhanced power generation facilities, with an emphasis on new baseload capacity that is supported by long-term power sales agreements and financed with limited or non-recourse project financing. We expect that these efforts will provide one or more of the following benefits: improved heat rates; lower delivered costs; expanded electricity production capability; an improved ability to dispatch economically across the merit order; increased technological and fuel diversity; and reduced environmental impacts, including facilities that either have zero greenhouse gas emissions or can be equipped to capture and, eventually, to sequester greenhouse gas emissions.

Maintain financial strength and flexibility. We remain focused on increasing cash flow and maintaining appropriate levels of liquidity, debt and equity in order to ensure continued access to capital for investment, to enhance risk-adjusted returns, and to provide flexibility in executing our business strategy. We will continue our focus on maintaining operational and financial controls designed to ensure that our financial position remains strong. At the same time, we expect to continue with our practice of returning excess capital to our debt and equity investors on a regular basis.

Reduce the volatility of our cash flows through asset-based commodity hedging activities. We will continue to execute asset-based risk management, hedging, marketing and trading strategies within well-defined risk and liquidity guidelines in order to manage the value of our physical and contractual assets. Our marketing and hedging philosophy is centered on generating stable returns from our baseload power generation assets while preserving the ability to capitalize on strong spot market conditions and to capture the extrinsic value of our intermediate and peaking facilities and portions of our baseload fleet. We believe that we can successfully execute this strategy by taking advantage of our expertise in marketing power and ancillary services, our knowledge of markets, our balanced financial structure and our diverse portfolio of power generation assets.

Participate in continued industry consolidation. We will continue to pursue selective acquisitions, joint ventures and divestitures to enhance our asset mix and competitive position in our core regions in order to meet the fuel and dispatch requirements in these regions. We intend to concentrate on opportunities that we believe will present attractive risk-adjusted returns. We will also opportunistically pursue other strategic transactions, including mergers, acquisitions or divestitures during the consolidation of the power generation industry in the United States.

Our Competitive Strengths

Scale and diversity of assets. We have one of the largest and most diversified power generation portfolios in the United States with approximately 22,800 MW of generation capacity in 180 generating units at 45 plants as of September 30, 2006. Our power generation assets are diversified by fuel type, dispatch level and region, which help mitigate the risks associated with fuel price volatility and market demand cycles. Our U.S. baseload facilities, which consist of approximately 8,600 MW of generation capacity measured as of September 30, 2006, provide us with a significant source of stable cash flow, while our intermediate and peaking facilities, with approximately 14,200 MW of generation capacity as of September 30, 2006, provide us with opportunities to capture the significant upside potential that can arise from time to time during periods of high demand. In addition, approximately 15% of our domestic generation facilities have dual or multiple fuel capability, which allows most of these plants to dispatch with the lowest cost fuel option.

Reliability of future cash flows. As discussed in greater detail below under The Transactions, we have sold forward or otherwise hedged a significant amount of our expected baseload generation capacity

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through 2011. The Company has the capacity and intent to enter into hedges in later years when market conditions are favorable. In addition, as of September 30, 2006, we have purchased forward under fixed price contracts (with contractually- specified price escalators) to provide fuel for approximately 79% of our expected baseload coal generation output from 2006 to 2012. These forward positions provide a stable and reliable source of future cash flow for our investors, while preserving a portion of our generation portfolio for opportunistic sales to take advantage of market dynamics.

Favorable market dynamics for baseload solid fuel power plants. In 2006, approximately 71% of the United States generation will be fueled by coal or nuclear fuel. In many of the competitive markets where we operate, the price of power is typically set by the marginal costs of natural gas-fired and oil-fired power plants that currently have substantially higher variable costs than our solid fuel baseload power plants. For example, ERCOT's October 1, 2005 Report on Existing and Potential Electric System Constraints and Needs found that natural gas-fired power plants set the market price of power more than 90% of the time in ERCOT. As a result of our lower marginal cost for baseload coal and nuclear generation assets, we expect these ERCOT assets to generate power nearly 100% of the time they are available.

Locational advantages. Many of our generation assets are located within densely populated areas that are characterized by significant constraints on the transmission of power from generators outside the region. Consequently, these assets are able to benefit from the higher prices that prevail for energy in these markets during periods of transmission constraints. We have generation assets located within New York City, southwestern Connecticut, Houston and the Los Angeles and San Diego load basins, all areas with constraints on the transmission of electricity. This gives us the opportunity to capture additional revenues through offering capacity to retail electric providers and others, selling power at prevailing market prices during periods of peak demand and providing ancillary services in support of system reliability. These facilities are often ideally situated for repowering or the addition of new capacity, as well, because their location and existing infrastructure give them significant advantages over greenfield sites in their regions.

The Transactions

We are offering these notes as part of a series of coordinated transactions that includes (i) the execution of new long-term hedges of our baseload power generation portfolio for the years 2010 and 2011, (ii) the resetting of existing out-of-the-money hedges for years 2006 through 2010, (iii) the issuance of \$1,100.0 million of notes offered hereby, and (iv) the amendment of our senior secured credit facilities to permit the incurrence of new unsecured indebtedness, to increase the synthetic letter of credit facility by \$500.0 million and otherwise to improve our financial flexibility. Together, we refer to these as the Transactions. We expect the Transactions to be closed by November 21, 2006. For a more detailed discussion of the Transactions, see The Transactions.

Recent Developments

During the third quarter 2006, NRG initiated a Capital Allocation Program to repurchase approximately \$750 million of its common stock in two phases. Phase I was a \$500 million stock repurchase program, which was completed on October 13, 2006. Phase II, as originally announced, was to be an additional \$250 million common stock buyback anticipated to commence during the first quarter 2007. In conjunction with the Hedge Reset and the amendment to the senior secured credit facility described herein, NRG has upsized Phase II to \$500 million and has accelerated the start to the fourth quarter 2006 and intends to complete it by the end of the second quarter 2007.

NRG Energy, Inc. reported net income before discontinued operations for the three and nine months ended September 30, 2006 of \$373 million and \$588 million, respectively, as compared to a net loss of \$37 million and \$4 million for the same periods last year. The quarter and year-to-date improvements primarily resulted from the

February 2, 2006 acquisition of Texas Genco LLC (now known as NRG Texas) and mark-to-market (MtM) gains in 2006 versus MtM losses in 2005. Net income for the nine months ended 2006 was impacted by \$105 million in after tax refinancing expenses incurred as part of the NRG Texas acquisition, partially offset by \$54 million in after-tax one-time gains related to the resolution of disputes and litigation.

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Cash flow from operations for the quarter was \$444 million, including a \$77 million benefit from returned cash collateral versus cash used by operations of \$205 million during the same period last year. Third quarter 2005 results included a cash collateral outflow of \$419 million. Cash flow from operations year to date was \$1 billion for 2006, an increase of \$1.1 billion over 2005. The 2005 results included a cash collateral outflow of \$598 million. In addition to returned collateral, 2006 cash from operations reflect the contributions from NRG Texas.

Summary of Risk Factors

We are subject to a variety of risks related to our competitive position and business strategies. Some of the more significant challenges and risks include those associated with the operation of our power generation plants, volatility in power prices and fuel costs, our leveraged capital structure and extensive governmental regulation. See the Risk Factors section of our Annual Report on Form 10-K for the year ended December 31, 2005 (which is expressly incorporated by reference into this prospectus supplement) and Risk Factors beginning on page S-11, in each case, for a discussion of the factors you should consider before investing in the notes.

Sources and Uses of Funds

As described under The Transactions, we will use the net proceeds from this offering to fund payments to counterparties under certain of our existing long-term hedging agreements pursuant to agreements to revise those hedges so as to bring the prices paid to us into line with current market prices. In addition, we will use net proceeds from this offering to pay related fees and expenses related to this offering and the other financing arrangements described under The Transactions. For more information, see Use of Proceeds.

Corporate Structure and Material Components of Consolidated Debt

The following simplified diagram represents our corporate structure and material components of our indebtedness at September 30, 2006 while including the increase to our indebtedness from the Transactions:

- (1) Our corporate structure also includes \$247.0 million of our 3.625% Convertible Preferred Stock, which are reflected in the mezzanine section of NRG's balance sheet as of September 30, 2006.
- (2) The outstanding notes exclude a net decrease of \$17.9 million related to a favorable mark-to-market on an interest rate swap.
- (3) Includes subsidiaries with \$554.9 million of outstanding debt as of September 30, 2006. Although the Excluded Domestic Subsidiaries do not guarantee the notes, their results of operations will be counted when measuring certain financial ratios under the terms of the notes. See Description of the Notes.

footnotes continued on following page

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- (4) Includes subsidiaries with \$253.2 million of outstanding debt as of September 30, 2006. Although the Excluded Foreign Subsidiaries do not guarantee the notes, their results of operations will be counted when measuring certain financial ratios under the terms of the notes. See Description of the Notes.

We were incorporated as a Delaware corporation on May 29, 1992. Our common stock is listed on the New York Stock Exchange under the symbol NRG. Our headquarters and principal executive offices are located at 211 Carnegie Center, Princeton, New Jersey 08540. Our telephone number is (609) 524-4500. Our website is located at www.nrgenergy.com. The information on, or linked to, our website is not a part of this prospectus supplement.

You can get more information regarding our business by reading our Annual Report on Form 10-K for the fiscal year ended December 31, 2005, and the other reports we file with the SEC. See Where You Can Find More Information and Incorporation of Documents by Reference.

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The Offering

Issuer	NRG Energy, Inc.
Notes offered	\$1,100,000,000 in aggregate principal amount of 7.375% Senior Notes due 2017.
Maturity	The notes will mature on January 15, 2017.
Interest rate	The notes will accrue interest at a rate per year equal to 7.375%.
Interest payment dates	January 15 and July 15 beginning July 15, 2007.
Guarantees	The notes will be guaranteed jointly and severally by each of our current and future restricted subsidiaries, excluding certain foreign, project and immaterial subsidiaries. Significant guarantors will include the subsidiaries owning NRG's assets in Texas which were acquired from Texas Genco LLC on February 2, 2006, NRG Power Marketing, Inc., NRG South Central Generating LLC and certain of its subsidiaries, and the subsidiaries owning NRG's assets in the MidAtlantic region and in the Northeast region. Each guarantee will rank <i>pari passu</i> with all existing and future senior indebtedness of that guarantor and will be senior in right of payment to all existing and future subordinated indebtedness of that guarantor.
Ranking	<p>The notes will be general unsecured obligations and will rank:</p> <p style="padding-left: 40px;">equally with all existing and future unsecured senior indebtedness of NRG; and</p> <p style="padding-left: 40px;">senior to any future subordinated indebtedness of NRG.</p> <p>Because the notes will be guaranteed by only certain of our subsidiaries, they will be structurally subordinated to all indebtedness and other liabilities, including trade payables, of those subsidiaries that do not guarantee the notes. As of September 30, 2006, (i) our guarantor subsidiaries accounted for approximately 94% of our revenues from wholly-owned operations for the nine months ended September 30, 2006 and held approximately 94% of our consolidated assets, (ii) our non-guarantor subsidiaries had approximately \$808.1 million in aggregate principal amount of external funded indebtedness, and (iii) our outstanding consolidated trade payables were \$278.0 million. Approximately 87% of these trade payables constituted obligations of NRG and its guarantor subsidiaries. See Risk Factors Risks Related to the Offering We may not have access to the cash flow and other assets of our subsidiaries that may be needed to make payment on the notes.</p>
Optional redemption	We may redeem some or all of the notes at any time prior to January 15, 2012 at a price equal to 100% of the principal amount of the notes

redeemed plus a make-whole premium and accrued and unpaid interest. On or after January 15, 2012, we may redeem some or all of the notes at the redemption prices listed in the Description of the Notes Optional Redemption section of this prospectus supplement, plus accrued and unpaid interest.

Prior to January 15, 2010, we may redeem up to 35% of the notes issued under the indenture with the net cash proceeds of certain equity offerings, provided at least 65% of the aggregate principal

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amount of the notes issued in this offering remains outstanding after the redemption.

Change of control

When a change of control event occurs, each holder of notes may require us, subject to certain conditions, to repurchase all or a portion of its notes at a price equal to 101% of the principal amount of the notes, plus accrued and unpaid interest to the date of repurchase. See Description of the Notes Repurchase at the Option of Holders Change of Control.

Certain covenants

The indenture governing the notes will contain certain covenants that will, among other things, limit our ability and the ability of our restricted subsidiaries to:

incur additional debt;

declare or pay dividends, redeem stock or make other distributions to stockholders;

create liens;

make certain restricted investments;

enter into transactions with affiliates;

sell or transfer assets; and

consolidate or merge.

These covenants are subject to a number of important qualifications and limitations. See Description of the Notes Certain Covenants.

Use of proceeds

We estimate that the net proceeds of this offering, after giving effect to underwriting discounts and commissions, will be approximately \$1,084 million. As described under The Transactions, we will use the net proceeds from this offering to fund payments to counterparties under certain of our existing long-term hedging agreements pursuant to agreements to reset the hedge price levels into line with current market prices. In addition, we will use net proceeds from this offering to pay related fees and expenses related to this offering and the other financing arrangements described under The Transactions. For more information, see Use of Proceeds.

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The summary historical consolidated financial information of NRG as of and for the years ended December 31, 2004 and December 31, 2005 were derived from the audited consolidated financial information contained in the audited consolidated financial statements of NRG incorporated by reference in this prospectus supplement. The summary unaudited historical consolidated financial information for NRG as of and for the nine months ended September 30, 2005 and September 30, 2006 (i) were derived from NRG's unaudited consolidated financial statements which are incorporated by reference into this prospectus supplement, (ii) have been prepared on a similar basis to that used in the preparation of the audited financial statements of NRG and (iii) in the opinion of NRG's management, include all adjustments necessary for a fair statement of the results for the unaudited interim period. The results for periods for less than a full year are not necessarily indicative of the results to be expected for any interim period.

The financial information set forth below should be read in conjunction with Capitalization, the consolidated financial statements of NRG, the related notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations included in NRG's Annual Report on Form 10-K for the year ended December 31, 2005 and its Quarterly Report on Form 10-Q for the nine months ended September 30, 2006, each as incorporated in this prospectus supplement by reference.

The following table presents summary consolidated financial information of NRG as of and for the periods indicated.

	Year Ended December 31,		Nine Months Ended September 30,	
	2004(1)	2005(1)	2005(1)	2006(1)
			(Unaudited)	(Unaudited)
	(\$ in millions, except per share data)			
Income Statement Data:				
Total operating revenues	\$ 2,348	\$ 2,708	\$ 1,723	\$ 4,479
Total operating costs and expenses	1,955	2,470	1,647	3,141
Income/(loss) from continuing operations	161	77	(4)	588
Income on discontinued operations, net of income taxes	25	7	24	63
Net income	186	84	20	651
Earnings per share-Basic	\$ 1.86	0.76	\$ 0.07	4.70
Earnings per share-Diluted	\$ 1.85	0.75	\$ 0.07	4.26
Other Financial Data:				
Capital expenditures	\$ (119)	(106)	\$ (46)	(159)
Cash flows from operating activities	645	68	(114)	1,048
Unaudited:				
Ratio of earnings to fixed charges	1.83x	1.56x	1.15x	3.06x
EBITDA(2)	966	592	376	1,614

**At September 30,
2006
(Unaudited)**

Balance Sheet Data (at period end):

Cash and cash equivalents	\$ 1,388
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Restricted cash	74
Total assets	19,721
Total long-term debt including current maturities	7,949
Stockholders' equity	6,005

- (1) NRG's results include the following (income)/expenses that have had a significant impact on operations during the periods indicated below:

footnotes continued on following page

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	For the Year Ended December 31, 2004	For the Year Ended December 31, 2005	For the Nine Months Ended September 30, 2005 (Unaudited)	For the Nine Months Ended September 30, 2006 (Unaudited)
			(\$ in millions)	
Income on discontinued operations, net of income taxes	\$ (25)	\$ (7)	\$ (24)	\$ (63)
Corporate relocation charges	16	6	6	
Reorganization items	(13)			
Restructuring and impairment charges	45	6	6	
Write downs, gains a				